

Amendment No. 1 to SB1764

Ketron
Signature of Sponsor

FILED

Date _____

Time _____

Clerk _____

Comm. Amdt. _____

AMEND Senate Bill No. 1764*

House Bill No. 1849

by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 12-3-908(a), is amended by deleting the same in its entirety and by substituting instead the following:

(a) The policy or policies of insurance provided herein shall be obtained by the state treasurer subject to the approval of the board of claims. Notwithstanding title 56, chapter 14, part 1 or any other law to the contrary, the state treasurer, with the approval of the board of claims, shall consider proposals from admitted carriers and non-admitted surplus lines carriers. In order for non-admitted carriers to be eligible for consideration hereunder, at least two (2) admitted carriers must have declined to submit a proposal, and the non-admitted carriers must (i) have a minimum A.M. Best rating of "A XIV", and (ii) be a member of an insurance holding company system, as defined in § 56-11-201(b)(6), that has at least one affiliate carrier admitted in Tennessee as a property/casualty insurer. Should A.M. Best change or amend its rating methodology, then the board of claims shall adopt a minimum rating requirement that is equivalent to the rating as stated in this subsection (a). The state treasurer shall place such insurance directly with the companies without policies being countersigned, etc., notwithstanding the provisions of § 56-2-409.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.